

NOT FOR DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA, SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL. OTHER RESTRICTIONS ARE APPLICABLE. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THE PRESS RELEASE.

### **Webstep ASA - Announcement of terms of the initial public offering**

Oslo, 25 September 2017: Reference is made to the announcement published on 7 September 2017 regarding the intention to list the shares (the "Shares") of Webstep ASA ("Webstep" or the "Company", OSE ticker "WSTEP") on the Oslo Stock Exchange and the contemplated initial public offering (the "IPO" or the "Offering"). The Board of Directors of Webstep has resolved to launch the Offering and to apply for a listing of the Shares on the Oslo Stock Exchange. Subject to approval of the listing application and successful completion of the Offering, the Shares are expected to be admitted to trading on the Oslo Stock Exchange on 11 October 2017 (subject to any extension or shortening of the Offering period).

The Offer Shares (as defined below) will be offered for sale within an indicative price range of NOK 23.75 to NOK 27.75 per Offer Share, corresponding to an equity value of Webstep of between NOK 505 million and NOK 590 million before the issue of New Shares (as defined below) in the Offering. The final offer price per Offer Share (the "Offer Price") may, however, be set above or below this indicative price range.

The IPO will comprise new shares (the "New Shares") to be issued by the Company to raise gross proceeds of up to approximately NOK 120 million, and a secondary sale of up to 9,379,870 existing Shares in the Company (the "Sale Shares"). Reiten & Co Capital Partners VII LP represented by Reiten & Co Capital Partners VII GP Ltd. ("Reiten") will sell up to 6,455,176 Sale Shares, equivalent to 55 per cent of Reiten's current shareholding. Certain minority shareholders (together with Reiten, the "Selling Shareholders") will sell a total of up to 2,924,694 Sale Shares, equivalent to 31 per cent of their aggregate current shareholding.

In addition, the Managers (as defined below) may elect to over-allot a number of additional shares (the "Additional Shares" and, together with the New Shares and the Sale Shares, the "Offer Shares") equalling up to approximately 15 per cent of the number of New Shares and Sale Shares sold. In order to facilitate settlement of the Additional Shares, Arctic Securities AS, on behalf of the Managers, is expected to borrow existing shares from Reiten. Arctic Securities AS, on behalf of the Managers, is further expected to be granted (i) an option by Reiten to purchase a number of Shares equal to up to 2/3 of the number of Additional Shares and (ii) an option by the Company to subscribe for a number of Shares equal to up to 1/3 of the number of Additional Shares, all at a price per Share equal to the Offer Price (the "Greenshoe Option"). The portion of the Greenshoe Option given by Reiten shall be exercised in full before the portion of the Greenshoe Option given by the Company may be exercised. The final number of Offer Shares will depend on the final Offer Price.

Following completion of the Offering, it is expected that Reiten will hold 14 per cent of the Shares in the Company (assuming that (i) the Offer Price is set at the mid-point of the indicative price range, (ii) all the New Shares and Sale Shares are sold in the IPO (including all the New Shares offered at the reduced offer price in the employee offering (as further explained below)) and (iii) the Greenshoe Option is exercised in full). Based on the assumptions set forth in (i) and (ii), it is expected that the free float of the Company's Shares following completion of the IPO, provided that Shares subject to lock-up undertakings are not excluded from the free float, will be up to 75 per cent of the share

capital if the Greenshoe Option is not exercised, and up to 81 per cent of the share capital if the Greenshoe Option is exercised in full.

The Selling Shareholders will receive the proceeds from the sale of the Sale Shares and the Company will receive the proceeds from the sale of the New Shares. Reiten will further receive the proceeds from any Shares sold by Reiten pursuant to the Greenshoe Option and the Company will receive the proceeds from any new Shares issued by the Company pursuant to the Greenshoe Option. The Company intends to use the net proceeds from the New Shares to partially repay its senior facility arrangement with SpareBank 1 SR-Bank ASA.

Reiten will enter into a customary lock-up agreement with the Managers for the remainder of its shareholding in the Company for a period of 180 days from the first day of trading. The Company will, as part of the same agreement, be subject to a lock-up period of 12 months from the same date. Members of the Company's Board of Directors and management team, as well as other executives, will be subject to a 12 month lock-up period from the first day of trading. In addition, eligible employees acquiring Offer Shares in the employee offering will be subject to a lock-up of two years from the first day of trading for Offer Shares purchased at the reduced offer price offered in the employee offering (as further described below).

The terms and conditions for the Offering comprise:

- (i) An institutional offering, in which Offer Shares are being offered to (a) investors in Norway, (b) institutional investors outside Norway and the United States, subject to applicable exemptions from any applicable prospectus requirements, and (c) investors in the United States who are QIBs in transactions exempt from registration requirements under the U.S. Securities Act. The institutional offering is subject to a lower limit per application of NOK 2,000,000.
- (ii) A retail offering, in which Offer Shares are being offered to the public in Norway, subject to a lower limit per application of NOK 10,500 and an upper limit per application of NOK 1,999,999 for each investor. Investors who intend to place an order in excess of NOK 1,999,999 must do so in the institutional offering. The retail offering will also comprise an offer to employees of Webstep AB, subject to applicable exemptions from the obligation to publish a prospectus.
- (iii) An employee offering, in which Offer Shares are being offered to eligible employees of Webstep and Webstep AS, subject to a lower limit per application of NOK 15,000 and an upper limit per application of NOK 1,999,999 for each eligible employee. Offer Shares in the employee offering will be sold at the same price as in the institutional offering and the retail offering, provided, however, that the Offer Price will be reduced by 18 per cent for an application amount per eligible employee between (i) NOK 15,000 and NOK 100,000 for management and certain other executives, (ii) NOK 15,000 and NOK 50,000 for sellers and advisors and (iii) NOK 15,000 and NOK 40,000 for the remaining eligible employees, as the Offer Shares allocated for such amounts (rounded down to the nearest whole Offer Share) will be subject to lock-up (as described above). In addition, each eligible employee will receive a fixed cash discount of NOK 3,000 on the aggregate amount payable for the Offer Shares allocated to such employee.

The further details of the IPO and the terms thereof will be set out in the prospectus prepared by the Company in connection with the IPO (the "Prospectus").

The Prospectus is expected to be approved by the Financial Supervisory Authority of Norway today, 25 September 2017. Subject to such approval, the book building period for the institutional offering will commence on 26 September 2017 at 09:00 hours (CET) and end on 9 October 2017 at 16:00 hours (CET), and the application period for the retail offering and the employee offering will commence on 26 September 2017 at 09:00 hours (CET) and end on 9 October 2017 at 12:00 hours (CET), both subject to shortening or extensions. The Prospectus will be published prior to the start of the book building period and the application period.

The final number of Offer Shares and the final price per Offer Share will be determined by the Company and Reiten, in consultation with the Managers (as defined below), after completion of the book building period for the institutional offering.

The announcement of the final Offer Price is expected to take place on or around 9 October 2017 with trading of the Shares on the Oslo Stock Exchange expected to commence on or around 11 October 2017 under the ticker "WSTEP".

Completion of the IPO is conditional upon the board of directors of the Oslo Stock Exchange approving the application for listing of the Shares in the Company in its meeting expected to be held on 6 October 2017, as well as the satisfaction of the conditions for admission to trading to be set by the Oslo Stock Exchange, which are expected to be that (a) the Company obtains a minimum of 500 shareholders each holding Shares with a value of more than NOK 10,000, and (b) there is a minimum free float of the Shares of 25%.

Completion of the IPO will further be conditional upon (i) the Company and Reiten, in consultation with the Managers, resolving to proceed with the Offering, (ii) the Company and Reiten, in consultation with the Managers, having approved the Offer Price and the allocation of the Offer Shares to eligible investors following the book building process, and (iii) the Managers not prior to the registration of the share capital increase pertaining to the issuance of the New Shares having terminated their commitment to pre-pay the subscription amount for the New Shares. Ultimately, there can be no assurance that these conditions will be satisfied.

The Prospectus will, subject to regulatory restrictions in certain jurisdictions, be available at [www.webstep.com](http://www.webstep.com), [www.arctic.com](http://www.arctic.com), [www.sb1markets.no](http://www.sb1markets.no), [www.sr-bank.no/markets](http://www.sr-bank.no/markets), from the commencement of the book building period and the application period for the Offering tomorrow 26 September 2017 at 09:00 hours (CET). Hard copies of the Prospectus may also be obtained free of charge from the same date by contacting Webstep or one of the Managers.

Arctic Securities AS, SpareBank 1 Markets AS and SpareBank 1 SR-Bank ASA (jointly the "Managers"), are acting as joint global coordinators and joint bookrunners in the Offering.

Advokatfirmaet Thommessen AS acts as legal counsel for the Company and Reiten and Advokatfirmaet CLP DA acts as legal counsel for the Managers.

Further announcements relating to the process will be made in due course. The exact timing of the proposed IPO remains subject to receiving the relevant approvals from the Oslo Stock Exchange and the Financial Supervisory Authority of Norway, as well as the prevailing equity capital market conditions.

#### **Enquiries**

Kjetil Eriksen, CEO Webstep, +47 982 98 008

Anders Løken, CFO Webstep, +47 977 69 200

## **About Webstep ASA**

Webstep ASA and its subsidiaries form the Webstep Group, a high-end provider of IT consultancy services in Norway and Sweden. Since its incorporation in 2000, the Webstep Group has offered IT services designed to address its customers' software needs by creating functional custom-made digital tools and applications optimizing the customers' business strategies. Webstep aims to be at the forefront of the technological development and to assist its customers in their digitalisation through the offering of cutting-edge IT expertise. The Webstep Group's core digitalisation offering consists of digitisation, cloud implementation, migration and integration, in addition to its other core focus areas Internet of Things (IoT), machine learning and analytics. An important part of the Webstep Group's strategy is to employ and offer only senior IT consultants with significant experience. As of 30 June 2017, the Webstep Group employed 393 employees, of which 350 were IT consultants. For more information visit [www.webstep.com](http://www.webstep.com)

## **Important Notice**

This announcement is not and does not form a part of any offer for or invitation to sell or issue, or any solicitation of an offer to purchase or subscribe for any shares or any other securities nor shall it (or any part of it) or the fact of its distribution, from the basis of, or be relied upon in connection with, any contract therefor.

Copies of this announcement are not being made and may not be published, distributed, transmitted or sent, directly or indirectly, in or into the United States, Australia, the Hong Kong Special Administrative Region of the People's Republic of China, Canada, Japan, South Africa or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any securities laws of any state or other jurisdiction of the United States and accordingly may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. The Company does not intend to register any part of the offering in the United States or to conduct a public offering of securities in the United States. Any sale in the United States of the securities mentioned in this announcement will be made solely to "qualified institutional buyers" as defined in Rule 144A under the Securities Act.

Any offering of securities will be made by means of a Prospectus that will contain detailed information about the Company and its management, as well as financial statements. This announcement is an advertisement and not a Prospectus for the purposes of Directive 2003/71/EC, as amended (together with any applicable implementing measures in any Member State, the "Prospectus Directive"). Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in the Prospectus.

In any EEA Member State other than Norway that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at "qualified investors" in that Member State within the meaning of Article 2(1) (e) of the Prospectus Directive ("Qualified Investors"), i.e., only to investors to whom an offer of securities may be made without the requirement for the Company to publish a Prospectus pursuant to Article 3 of the Prospectus Directive in such EEA Member State.

This communication is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only for relevant persons and will be engaged in only with relevant persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "strategy", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Actual events may differ significantly from any anticipated development due to a number of factors, including without limitation, changes in public sector investment levels, changes in the general economic, political and market conditions in the Norwegian market, the Company's ability to attract, retain and motivate qualified personnel, changes in the Company's ability to engage in commercially acceptable acquisitions and strategic investments, and changes in laws and regulation and the potential impact of legal proceedings and actions. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this presentation are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or any obligation to update or revise the statements in this presentation to reflect subsequent events. You should not place undue reliance on the forward-looking statements in this document.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm, or to release publicly any revisions to any forward-looking

statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.

This announcement does not constitute a recommendation concerning the IPO. The price and value of securities and any income from them can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the IPO cannot be relied upon as a guide to future performance. There is no guarantee that the listing on Oslo Børs will occur and you should not base your financial decisions on the Company's intentions in relation to the listing at this stage. Potential investors should consult a professional advisor as to the suitability of the IPO for the entity concerned.